

## Records the Administration Report of the State Accounts Department for the year 1951-52

SAD—

Letter No. P. C. 156 [CSA], dated 16th December 1952, from the Controller, State Accounts Department, Bangalore, forwarding the Annual Report on the administration of the State Accounts Department for the year 1951-52.

ORDER No. FL.(B).13592-95—L.F.A. 81-52-2, DATED BANGALORE,

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Recorded.

2. The Department was formed newly on the 20th December 1950 after the Federal Financial Integration to take up the audit of accounts of Local Bodies in the State which did not form part of the statutory functions of the Comptroller and Auditor-General and was not therefore taken over by the Indian Audit Department. The following other items of work were gradually transferred to the Department:—

- (i) Audit of the Accounts of Municipal and District Board High Schools.
- (ii) Do do Grain Depots run by Local Bodies.
- (iii) Do do Government Food Depots under the control of Food Supply Department.
- (iv) Do do the Kolar Gold Field Mining Companies.
- (v) Do do the University Funds.
- (vi) Do do the Bangalore and Mysore City Improvement Trust Boards.
- (vii) Do do Muzrai Funds.

3. The Department started under an initial handicap as the work of audit of the accounts of the Local Bodies was heavily in arrears, as it had been suspended from 1948. Added to this, there was a heavy deficiency in staff due to most of the trained men of the former Comptroller's Office having been taken over by the Indian Audit Department. As the Department was newly formed, there was the need to evolve new rules of procedure in several cases to suit the altered conditions. All these undoubtedly placed very severe limitations on the progress of current work.

4. In spite of the initial handicaps referred to, the Department made considerable headway and was able to complete during 1951-52 the local audit of the accounts of 72 Local Bodies, 8 University Institutions, 653 Food Depots. Nine cases of fraud involving Rs. 57,621-12-2 were investigated and reports submitted to Government.

5. It is observed that there is still a good deal of arrears to be cleared, the local audit of 636 Food Depots and 120 Local Bodies (the latter relating to periods so old as 1944-45 and 1945-46) remaining to be taken up. In view of the magnitude of the arrears to be cleared and the efflux of time, the Controller is requested to examine and report to what extent the audit work of the old periods can be simplified restricting it to essential requirements only so that the expenditure on such audit may not be out of all proportion to the results to be achieved and the current audit may not suffer in the process.

6. The Controller is requested to furnish in future quarterly reports of progress to keep Government informed of the state of audit work under his control.

7. Shri D. K. Srinivasachar, B.Sc. (Hons.), was appointed as Examiner, Local Fund Audit (designation changed later as Controller, State Accounts Department) on the 20th December 1950 and continued till 26th December 1951, when he was transferred as Deputy Commissioner, Shimoga. Sri B. R. Srinivasa Murthy, Gazetted Assistant, was in additional charge of the duties of the Controller for the remaining period till the end of the year.

8. The work of the Department was satisfactory.

M. SHAMANNA,  
Secretary to Government,  
Finance Department.